

Amendment No. 2 to HB1894

**Fitzhugh
Signature of Sponsor**

AMEND Senate Bill No. 1839*

House Bill No. 1894

by inserting the following new sections immediately preceding the last section and renumbering the subsequent section accordingly:

SECTION _____. Tennessee Code Annotated, Section 49-9-201, is amended by deleting the section and substituting instead:

(a) The governor, the commissioners of agriculture and education, and the president of the university shall be ex officio members of the board of trustees of the University of Tennessee.

(b) The executive director of the Tennessee higher education commission shall be an ex officio, nonvoting member of the board of trustees of the University of Tennessee.

SECTION _____. Tennessee Code Annotated, Section 49-9-202, is amended by deleting the section and substituting instead:

(a) The board of trustees of the University of Tennessee shall consist of five (5) ex officio members, and twenty-two (22) additional appointed members.

(1) Of the twenty-two (22) additional members, one (1) shall be appointed from each congressional district. Each member shall reside within the congressional district from which the member is appointed as such district is apportioned at the time of the member's appointment.

Appointments from reapportioned congressional districts shall be made as vacancies occur. No incumbent member shall be removed from the member's seat prior to the expiration of the member's current term as a

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result of changes in congressional districts occasioned by
reapportionment.

(2) Two (2) additional members shall reside in Knox County.

(3) Two (2) additional members shall reside in Shelby County.

(4) One (1) additional member shall reside in Weakley County.

(5) One (1) additional member shall reside in Hamilton County.

(6) One (1) additional member shall reside in Davidson County.

(7) One (1) additional member shall reside in Anderson, Bedford,
Coffee, Franklin, Lincoln, Moore, or Warren County.

(8) One (1) additional member who shall be a non-Tennessee
resident;

(9) Two (2) additional members shall be members of the faculty of
the University of Tennessee who served as faculty senate president, or
the equivalent, at a University of Tennessee institution during the
academic year immediately preceding appointment as a trustee. One (1)
faculty member shall be a voting member and one (1) faculty member
shall be a nonvoting member, it being the legislative intent that a faculty
member serve one (1) year as a nonvoting member before becoming the
voting member. It being the further legislative intent that the voting
position rotate among the institutions of the University of Tennessee, the
voting and nonvoting faculty members shall be appointed in accordance
with the following sequence:

(A) The faculty senate president, or the equivalent, who served in that capacity at the University of Tennessee at Chattanooga during the 2004-2005 academic year shall serve as the voting member for a one-year term from June 1, 2005, through May 31, 2006. The faculty senate president, or the equivalent, who served in that capacity at the University of Tennessee Health Science Center during the 2004-2005 academic year shall serve as the nonvoting member for a one-year term from June 1, 2005, through May 31, 2006, and shall serve as the voting member for a one-year term from June 1, 2006, through May 31, 2007.

(B) The faculty senate president, or the equivalent, who served in that capacity at the University of Tennessee, Knoxville during the 2005-2006 academic year shall serve as the nonvoting member for a one-year term from June 1, 2006, through May 31, 2007, and shall serve as the voting member for a one-year term from June 1, 2007, through May 31, 2008.

(C) The faculty senate president, or the equivalent, who served in that capacity at the University of Tennessee at Martin during the 2006-2007 academic year shall serve as the nonvoting member for a one-year term from June 1, 2007, through May 31, 2008, and shall serve as the voting member for a one-year term from June 1, 2008, through May 31, 2009.

(D) Beginning June 1, 2008, the nonvoting faculty position shall rotate annually to the faculty senate president, or the equivalent, who served in such capacity during the academic year immediately preceding appointment as a trustee, according to the following sequence: University of Tennessee at Chattanooga,

University of Tennessee Health Science Center, University of Tennessee, Knoxville, and University of Tennessee at Martin.

The nonvoting faculty member shall serve a one-year term before assuming the voting position. Each term shall begin June 1 and end the following May 31.

(10) At least one-third ($1/3$) of the appointive members shall be members of the principal minority political party in the state.

(11) At least one-third ($1/3$) of the appointive members shall be alumni of the University of Tennessee.

(12) All appointive members shall be appointed by the governor subject to confirmation by the senate, but appointments shall be effective until adversely acted upon by the senate.

(13) Two (2) additional members shall be students at a University of Tennessee institution. One (1) student member shall be a voting member and one (1) student member shall be a nonvoting member, it being the legislative intent that a student member serve one (1) year as a nonvoting member before becoming the voting member. It being the further legislative intent that the voting position rotate among the institutions of the University of Tennessee, the voting and nonvoting student members shall be appointed in accordance with the following sequence:

(A) Effective June 1, 2005, a student at the University of Tennessee at Chattanooga shall be appointed to serve a one-year term as the voting student member through May 31, 2006. The voting student shall be appointed by the governor from a list of three (3) nominees prepared and submitted by the governing body of the student government association at the University of

Tennessee at Chattanooga. Effective June 1, 2005, a student at the University of Tennessee Health Science Center shall be appointed to serve a one-year term as the nonvoting member through May 31, 2006, and to serve a one-year term as the voting member from June 1, 2006, through May 31, 2007. The nonvoting student shall be appointed by the governor from a list of three (3) nominees prepared and submitted by the governing body of the student government association at the University of Tennessee Health Science Center. Only students who will be enrolled at the University of Tennessee Health Science Center through the 2006-2007 academic year shall be eligible for appointment to this nonvoting position.

(B) Effective June 1, 2006, a student at the University of Tennessee, Knoxville shall be appointed to serve a one-year term as the nonvoting student member through May 31, 2007, and to serve a one-year term as the voting member from June 1, 2007, through May 31, 2008. The nonvoting student shall be appointed by the governor from a list of three (3) nominees prepared and submitted by the governing body of the student government association at the University of Tennessee, Knoxville. Only students who will be enrolled at the University of Tennessee, Knoxville through the 2007-2008 academic year shall be eligible for appointment to this nonvoting position.

(C) Effective June 1, 2007, a student at the University of Tennessee at Martin shall be appointed to serve a one-year term as the nonvoting student member through May 31, 2008, and to serve a one-year term as the voting member from June 1, 2008,

through May 31, 2009. The nonvoting student shall be appointed by the governor from a list of three (3) nominees prepared and submitted by the governing body of the student government association at the University of Tennessee at Martin. Only students who will be enrolled at the University of Tennessee at Martin through the 2008-2009 academic year shall be eligible for appointment to this nonvoting position.

(D) Beginning June 1, 2008, the nonvoting student position shall be appointed annually by the governor from a list of three (3) nominees prepared and submitted by the governing body of the student government association at a University of Tennessee institution according to the following sequence: University of Tennessee at Chattanooga, University of Tennessee Health Science Center, University of Tennessee, Knoxville, and University of Tennessee at Martin. The nonvoting student member shall serve a one-year term before assuming the voting position. Each term shall begin June 1 and end the following May 31. Only students who will be enrolled at the University of Tennessee institution from which they are appointed through the academic year in which they would be serving as the voting member are eligible for appointment to the nonvoting position.

(14) In making appointments to the board of trustees, the governor shall strive to ensure that at least one (1) person appointed to serve on the board is sixty (60) years of age or older, and that at least one (1) person appointed to serve on the board is a member of a racial minority. Appointments made after January 1, 1995, shall alternate such that every other appointment of a new member to the board shall be a

female until the membership of the board reflects the percentage of females in the population generally, after which this sentence shall cease to be effective.

(b) University of Tennessee board of trustee members shall be reimbursed for travel expenses in accordance with the comprehensive travel regulations as promulgated by the department of finance and administration and approved by the attorney general and reporter.

SECTION _____. Tennessee Code Annotated, Section 49-9-203, is amended by deleting the section and substituting instead:

(a) Appointive members of the board of trustees of the University of Tennessee shall be appointed to serve terms of six (6) years beginning June 1 of the year of appointment.

(b) Members shall be eligible to succeed themselves.

SECTION _____. Tennessee Code Annotated, Section 49-9-204, is amended by deleting the section and substituting instead:

(a) In all cases of vacancies for any cause, the governor shall appoint a successor to fill the unexpired term.

(b) The removal of any member from the city or congressional district that the member represents shall ipso facto vacate the member's position. Failure of a trustee to attend three (3) regular meetings of the board in succession shall be cause for the trustee's removal and shall authorize the board to call on the governor to appoint a successor.

SECTION _____. Tennessee Code Annotated, Section 49-9-205(b), is amended by deleting the subsection and substituting instead:

(b) Seven (7) members constitute a quorum, and they are empowered to transact any business.

SECTION _____. Tennessee Code Annotated, Section 49-9-206, is amended by deleting the section and substituting instead:

(a) There shall be the following standing committees of the board of trustees, together with other standing and ad hoc committees as the board may create from time to time:

- (1) Academic affairs and student success;
- (2) Advancement and public affairs;
- (3) Athletics;
- (4) Audit and compliance;
- (5) Executive and compensation;
- (6) Finance and administration;
- (7) Health affairs;
- (8) Research, outreach, and economic development;
- (9) Trusteeship; and
- (10) University life.

(b) The academic affairs and student success committee shall oversee matters related to the university's educational mission of teaching, research, and service. It shall concern itself with the needs and interests of the faculty, administrative staff, and students in creating and sustaining the university's academic environment, including creation, evaluation, continuation, and termination of academic programs. It shall attend to faculty members' concerns about matters such as faculty evaluation and compensation. The academic affairs and student success committee shall have the following subcommittees:

- (1) Student conduct, rights, and responsibilities. This subcommittee shall develop and recommend policies concerning student conduct, rights, and responsibilities that comply with federal and state laws, rules, and regulations; and

(2) Other subcommittees as the board finds necessary and expedient.

(c) The advancement and public affairs committee shall oversee university programs related to private gifts, alumni programs and support, public relations and communications, and governmental relations at the local, state, and national levels. The advancement and public affairs committee shall have the following subcommittees:

(1) Community and alumni relations. This subcommittee shall gather input from and provide a forum for stakeholders. It shall develop and recommend policies that address interests and concerns of the university community, including alumni, and of the state and local communities in which the campuses and institutes of the university operate; and

(2) Other subcommittees as the board finds necessary and expedient.

(d) The athletics committee shall review the operation and provide oversight of the athletic programs of the university. It shall assist with public relations and fundraising in support of athletic programs. The athletics committee shall have subcommittees as the board finds necessary and expedient.

(e) The audit and compliance committee shall be responsible for the integrity of the university's annual financial statements, the university's compliance with legal and regulatory requirements concerning auditing, knowledge of all auditing activities, and oversight and direction of internal auditors. The audit and compliance committee shall have subcommittees as the board finds necessary and expedient.

(f) The executive and compensation committee shall ensure that the board of trustees fulfills the university's responsibilities. It shall oversee university policy, the work of other standing committees, the university's planning process, and the president's performance, welfare, and compensation. It shall approve all property acquisitions and disposals. It shall oversee and monitor the university's commitment to and compliance with the state's plans and objectives for higher education. The executive and compensation committee shall act for the board when necessary between meetings of the board. The president of the university shall serve as an ex officio, nonvoting member of the executive and compensation committee. The executive and compensation committee shall have subcommittees as the board finds necessary and expedient.

(g) The finance and administration committee shall provide oversight for the university's finances, business, and facilities. The committee shall advise the board on the state of the university's financial operations, budgetary allocations, student fees, personnel policies, investment performance strategy and returns, and facilities. The committee shall ensure the university operates within available resources and applicable federal, state, and university policies in a manner supportive of the university's strategic plan. The finance and administration committee shall have the following subcommittees:

(1) Efficiency and cost savings. This subcommittee shall establish a time frame for the evaluation of each area of the university's operations to determine whether more efficient operation and cost savings may be achieved. The subcommittee shall make recommendations as to efficiencies and cost savings that will improve the university's operations. The subcommittee shall prepare an annual report of its findings, conclusions, and recommendations for the finance and administration committee and the board of trustees. The board of

trustees shall include the report of the subcommittee in its annual report under § 49-9-208;

(2) Tuition, fees, and financial aid. This subcommittee shall make recommendations to the committee and the board on tuition and fees, taking into consideration the needs of both students and the university. It shall also evaluate financial aid in relation to the cost of attendance and recommend policies to improve the availability of financial aid that are in the best interest of students, the university, and the state; and

(3) Other subcommittees as the board finds necessary and expedient.

(h) The health affairs committee shall assist the board in exercising oversight of the clinical activities of the health science center. The health affairs committee shall have subcommittees as the board finds necessary and expedient.

(i) The research, outreach, and economic development committee shall oversee programs seeking to extend the university's scientific, technological, commercial, and educational expertise to communities, counties, agencies, and organizations in the state, nationally, and globally. The research, outreach, and economic development committee shall have subcommittees as the board finds necessary and expedient.

(j) The trusteeship committee shall stay informed about governance issues, propose implementation of governance best practices, and organize the working processes of the board. The trusteeship committee shall have subcommittees as the board finds necessary and expedient.

(k) The university life committee shall oversee and develop policies and make recommendations concerning the overall life of the university community

and the university's nonacademic programs, other than athletics. The university life committee shall have the following subcommittees:

(1) Nonacademic programs. This subcommittee shall monitor the nonacademic programs of the university, including programs related to diversity. It shall develop and recommend policies concerning nonacademic programs that shall address interests and concerns of the university's students, faculty, staff, and alumni, and local and state communities. It shall monitor the compliance of nonacademic programs with federal and state laws, rules, and regulations; and

(2) Other subcommittees as the board finds necessary and expedient.

(l) The board shall appoint the members of the committees and subcommittees. Each committee and subcommittee shall meet as often as necessary to carry out its responsibilities, but no less than semiannually. A majority of the voting members of a committee or subcommittee shall constitute a quorum for the transaction of business.

SECTION _____. Tennessee Code Annotated, Section 49-9-209(b)(2), is amended by deleting the subdivision and substituting instead:

(2) None of the real or personal estate belonging to the university shall be disposed of or appropriated at any session of the board, except at a stated session.

SECTION _____. Tennessee Code Annotated, Section 49-9-209(d)(1), is amended by deleting subdivisions (E) and (F) and substituting instead:

(E) Have the power to remove the president and, notwithstanding subdivision (d)(1)(C)(ii), the chancellors at any time;

(F) Annually adopt an operating budget, set student tuition and fees, and take all actions necessary and appropriate to ensure the financial stability and solvency of the University of Tennessee system;

SECTION _____. Tennessee Code Annotated, Section 49-9-209(d)(1), is amended by deleting subdivisions (I)-(O) and redesignating the existing subdivisions accordingly.

SECTION _____. Tennessee Code Annotated, Section 49-9-209, is amended by deleting subsections (e) and (f) and substituting instead:

(e)

(1) The trustees at their stated sessions shall also have full power and authority to make bylaws, rules, and regulations for the government of the university and the promotion of education in the university that, in their opinion, may be expedient or necessary.

(2) The bylaws, rules, and regulations shall not be inconsistent with the constitution and laws of the United States or of this state.

(f) The president and professors of the university, with the advice and consent of a majority of the board, shall have full power and authority, at any stated session of the board, to confer on any student in the university, or any other person they may think proper, the degrees of Bachelor of Arts, Master of Arts, or any other degree known and used in any college or university in any of the United States.

SECTION _____. Tennessee Code Annotated, Title 49, Chapter 9, Part 5, is amended by deleting the part in its entirety.

SECTION _____. All appointments and confirmations of persons to the University of Tennessee board of trustees pursuant to Chapter 657 of the Public Acts of 2018 are null and void. Persons serving on the University of Tennessee board of trustees on the effective date of this act shall continue to serve as trustees until the expiration of their

terms or the occurrence of an event that renders them ineligible to serve on the board of trustees.